

Scouts on Stamps Society International (SOSSI)

Conflict of Interest and Ethics Policy for Officers and Directors

Approved: 17 March 2018

This purpose of this policy statement is to expand on the requirements of Article I, Section 4 of the SOSSI constitution, which states: **It is SOSSI's commitment to administer its activities in accordance with the highest standards of ethical conduct.**

It should also be noted that Article XIII, Section 1 states that all officers and directors serve without compensation, including the reimbursement of any travel expenses incurred.

General Concepts

This policy is intended to supplement any applicable state or federal laws governing conflicts of interest applicable to nonprofit/charitable/501 (c) (3) organizations. SOSSI relies on the deliberate, thoughtful and disinterested decision making by its officers and directors, who are expected to exercise the utmost good faith in all transactions touching upon their duties to the organization, its members and its property. Officers and directors are in a fiduciary position with the other members of SOSSI, owe the membership a duty of loyalty in exercising their functions, and have a further duty to disclose all material facts concerning any financial interest or potential conflict of interest to the organization.

By accepting the position as officer or director, each person acknowledges that with regard to any SOSSI activity, the best interests of SOSSI and its members must prevail over the officer or director's individual interest.

In their dealings with and on behalf of the Board, the officers and directors shall be held to a strict rule of honest and fair dealings between themselves and SOSSI and its general membership. No officer or director shall use his or her position as such, or any knowledge gained therefrom for personal profit in such a way that a conflict of interest (or the appearance of a conflict of interest) might arise between the interests of SOSSI and its general membership and those of the individual officer or director. Similarly, no officer or director shall participate in any decision which may, directly or indirectly, result in a personal financial gain to that person.

In order to implement these general principles, the Board hereby adopts the following specific policies to govern the relationship between the individual officers and directors and SOSSI.

Employment with SOSSI

No officer or director may be an employee of SOSSI.

Contracts with SOSSI

No officer or director or his or her spouse or minor child (or any corporation, partnership, association or other organization in which an officer or director, or an officer or director's spouse or minor child has a beneficial interest), shall enter into any contract with SOSSI for personal financial gain, unless approved by a majority vote of the Board of Directors, after full disclosure to the Board of the potential conflict of interest.

It is the duty of the officer or director involved in any such a potential conflict of interest to immediately inform the President and the Chairman of the Board of Directors of the existence of a potential prohibited relationship if such a contract should come under consideration by SOSSI.

Assistance to Other SOSSI Members

Members of SOSSI occasionally approach an officer or director for advice about the disposition of a philatelic collection or other related materials. If the officer or director is recognized by the American Philatelic Society or the American Stamp Dealers Association (or similar organization) as a dealer, no further disclosure is required, since it is assumed that the SOSSI member knows of this commercial relationship and understands that a dealer may give advice which will result in his or her financial benefit.

However, SOSSI members should reasonably be able to assume that advice received from an officer or director who is not known to be a dealer will be completely disinterested under the terms of that person's fiduciary duty of loyalty discussed above. In such cases the officer or director is expected to give the member his or her best advice. If the officer or director refers the member to another dealer by whom the officer/director is employed, even on an occasional basis, the SOSSI member must be informed in a timely fashion that a business relationship exists between the officer/director and the dealer. In any case where the officer/director may receive a finder's fee or otherwise benefit from the transaction, the officer/director shall so inform the SOSSI member. Should compensation occur unexpectedly after the fact, the officer/director must inform the SOSSI member promptly.

Reimbursement of Non-Travel Expenses

Other documentable expenses, such as telephone and copying charges, may be reimbursed when directly related to SOSSI business. In most situations, these charges are small and the officer/director is encouraged to donate the expenses to SOSSI. Where a project is commenced that may include expenses that could be more substantial, a discussion and approval prior to the cost being incurred is appropriate. Where reimbursement is appropriate, the bills must be submitted with supporting documentation to the Treasurer for reimbursement.

Matters of Confidentiality

From time to time, officers and directors become aware of matters of contract, legal or other concerns. Officers and directors should keep such matters confidential.

Reporting Responsibilities

Any violation or apparent violation of these policies, should be reported to the President and/or the Chairman of the Board of Directors, for further consideration and/or appropriate action.

Supplemental Policy Regarding Valuation for Tax Purposes of Non-Monetary Gifts/Donated Collections

It is the policy of SOSSI to acknowledge any donation of a non-monetary gift, such as a philatelic collection, in writing. In doing so, it is our general policy to describe the gift but NOT to provide a dollar amount (or range of values) as to the catalog or fair value of the donation. Any individual claiming a deduction under the income tax regulations of the U.S.A. may have certain responsibilities to document values claimed as a deduction. Compliance with applicable tax regulations is generally the responsibility of the taxpayer, not SOSSI. We will comply with any IRS requirements applicable to us for any major gifts.

[end]